

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

STOURBRIDGE INVESTMENTS LLC, :
Derivatively on Behalf of Nominal :
Defendant OMEGA HEALTHCARE :
INVESTORS, INC., :

Plaintiff, :

v. :

CRAIG R. CALLEN, KAPILA K. :
ANAND, CRAIG M. BERNFIELD, :
NORMAN R. BOBINS, BARBARA :
B. HILL, EDWARD LOWENTHAL, :
BEN W. PERKS, C. TAYLOR PICKETT, :
STEPHEN D. PLAVIN, ROBERT O. :
STEPHENSON, and DANIEL J. BOOTH, :

Defendants, :

and :

OMEGA HEALTHCARE INVESTORS, :
INC., :

Nominal Defendant. :

Case No. 1:18-cv-07638

**STIPULATION AND ORDER STAYING
CASE**

WHEREAS, Plaintiff Stourbridge Investments LLC (“Plaintiff”) filed a complaint on August 22, 2018 on behalf of Nominal Defendant Omega Healthcare Investors, Inc. (“Omega” or the “Company”), against Defendants¹ for violations of § 14(a) of the Securities Exchange Act of

¹ Craig R. Callen, Kapila K. Anand, Craig M. Bernfield, Norman R. Bobins, Barabara B. Hill, Edward Lowenthal, Ben W. Perks, C. Taylor Pickett, Stephen D. Plavin, Robert O. Stephenson, and Daniel J. Booth (collectively, “Individual Defendants” and together with Omega, “Defendants”) (Plaintiff and Defendants are collectively referred to herein as the “Parties”).

1934 (the “Exchange Act”), breaches of fiduciary duties, abuse of control, and gross mismanagement (the “Derivative Litigation”);

WHEREAS, the facts and circumstances alleged in the Derivative Litigation are based, in part, upon allegations in the amended complaint filed in *In re Omega Healthcare Investors, Inc. Securities Litigation*, Case No. 1:17-cv-08983-NRB (S.D.N.Y.), a consolidated putative federal securities class action pending in the United States District Court for the Southern District of New York (the “Federal Securities Action”);

WHEREAS, Plaintiff requests that Plaintiff be appointed Lead Plaintiff, that its counsel, Lifshitz & Miller LLP, be appointed Lead Counsel, and that any future filed derivative cases be coordinated and/or consolidated with the above-captioned action, and Defendants do not oppose this request; and

WHEREAS, in the interests of judicial economy and efficiency, the Parties have discussed staying the Derivative Litigation pending the resolution of the Federal Securities Action;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the Parties, through their undersigned counsel, and subject to the Court’s approval:

1. To the extent any of them have not yet been served, each of the Defendants hereby accepts service of the Summons and Complaint. Defendants do not waive, and expressly preserve, all defenses other than those based on sufficiency of service of process.

2. The Derivative Litigation, including any obligation to respond to the complaint or any amended complaint, and all discovery and disclosure obligations under the applicable rules, is hereby stayed until 30 days after the entry of judgment or a voluntary dismissal with prejudice in the Federal Securities Action.

3. The Parties shall promptly notify each other if and when they become aware of any derivative lawsuits filed in any forum subsequent to the Derivative Litigation that allege the same or similar misconduct as that alleged in the Derivative Litigation. Should such a derivative action be filed, Defendants shall agree to, or move for, a stay of such action.

4. Should a later-filed derivative action such as is described in paragraph 3, above, not be stayed, Plaintiff may seek an earlier termination of the stay after providing 30-days' written notice to the Defendants.

5. During the pendency of the stay, Plaintiff may amend the complaint, but Defendants shall not respond to any amended complaint during the stay.

6. When the stay of proceedings is lifted in this action, the Parties shall meet and confer and submit a proposed scheduling order governing further proceedings in the Derivative Litigation, including the date by which Defendants must answer or otherwise respond.

7. The Company shall notify Plaintiff of any inspection demand pursuant to the Maryland General Corporation Law ("MGCL").

8. If, during the pendency of the stay of this action, the Company provides documents to: (i) plaintiff in the Federal Securities Action for any purpose (either litigation, mediation or settlement discussions); (ii) any plaintiff in any related derivative action (either litigation, mediation or settlement discussions); or (iii) any shareholder pursuant to any inspection demand pursuant to the MGCL, Defendants agree to provide the same documents to Plaintiff in this Derivative Litigation on the same terms they are provided to the respective plaintiff and/or shareholder referenced above in this paragraph.

9. Prior to the production of any documents by Defendants to Plaintiff, the Parties shall enter into a stipulated, proposed protective order that they will submit to this Court for approval.

10. Defendants shall provide Plaintiff reasonable notice prior to participating in any mediation and any formal settlement talks with (i) the plaintiffs in the Federal Securities Action and/or (ii) any plaintiff in any other related derivative lawsuit.

11. Plaintiff is appointed Lead Plaintiff, its counsel, Lifshitz & Miller LLP, is appointed Lead Counsel, and any future filed derivative cases shall be coordinated and/or consolidated with the above-captioned action.

12. The Parties agree that nothing in this stipulation shall be construed to prejudice or waive any Party's right to seek a further stay of this action, or to oppose such a stay request, at such time as the stay imposed by this Stipulation and Order terminates.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

Dated: October 24, 2018

Respectfully submitted,

LIFSHITZ & MILLER LLP

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Attorneys for Defendants

The proposed stipulation is approved. The parties are directed to file a status letter on or before February 25, 2019.
So ordered.

IT IS SO ORDERED this 24th day of October, 2018.


J. PAUL OETKEN
United States District Judge